

CITY COUNCIL AGENDA ITEM COVER MEMO

FOR AGENDA OF COUNCIL MEETING/WORK SESSION - DATE: April 14, 2016

ACTION REQUESTED BY: Huntsville Utilities

COUNCILMAN: ALL **DISTRICT:** ALL

SUBJECT MATTER: Electric Rate Change

EXACT WORDING FOR AGENDA: Resolution authorizing the Mayor to execute a standard form resale rate schedule substitution agreement with TVA to be provided before October 2016, providing for an electric rate change for Huntsville Utilities residential and small commercial customers. (Utilities: Electric)

ORDINANCE: **RESOLUTION:** X **MOTION:**

(IF AMENDMENT, STATE TITLE AND NUMBER OF ORIGINAL): N/A

ITEM IS TO BE CONSIDERED FOR:

INTRODUCTION: **ACTION:** X **DISCUSSION:**

UNANIMOUS CONSENT REQUIRED? No

BRIEFLY STATE WHY THE ACTION IS REQUESTED; WHY IT IS RECOMMENDED OR NOT RECOMMENDED; WHAT COUNCIL ACTION WILL PROVIDE, ALLOW, OR ACCOMPLISH; ANY ASSOCIATED COST; BUDGETED (?); AND ANY OTHER INFORMATION THAT YOU THINK MIGHT BE HELPFUL.

Approval of this resolution will allow Huntsville Utilities to change electric rates effective on or after October 2016. Approval of this resolution will also allow the Mayor to execute a revised schedule of rates and charges between TVA and the City of Huntsville.

MAYOR RECOMMENDS OR CONCURS? YES _____ NO _____ N/A _____

SIGNATURE: Jay C. Stowe, President & CEO

DATE: March 30, 2016

RESOLUTION NO. 16-_____

WHEREAS, the City of Huntsville, Alabama (hereinafter referred to as Distributor), and Tennessee Valley Authority (hereinafter referred to as TVA), did heretofore enter into a contract dated May 26, 1980 (which contract, as amended and supplemented, is hereinafter called the Power Contract); and

WHEREAS, TVA and the Distributor wish to amend the wholesale and retail rates for the City of Huntsville to be effective October 1, 2016; and

WHEREAS, the Huntsville Electric Utility Board has approved the alteration of electric rates for the various customer classes effective for the October 2016 billing cycle with increases for the respective customer classes as follows:

- Residential availability charge increases from \$11.38 to \$13.78 per month;
- Small commercial (GSA1) availability charge increases from \$12.98 to \$15.38 per month.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that it does approve the aforesaid Resale Rate Schedule, and Tommy Battle, as Mayor of the City of Huntsville, Alabama, be, and he is authorized to execute said Resale Rate Schedule Substitution Agreement for and on behalf of the City of Huntsville, Alabama, and the Clerk-Treasurer be and he is hereby authorized to attest the same and to affix thereto the seal of the City of Huntsville, Alabama, all in as many counterparts as may be necessary.

ADOPTED this the _____ day of _____, 2016.

President or President Pro Tem
of the City Council of the City
of Huntsville, Alabama

APPROVED this the _____ day of _____, 2016.

Mayor of the City of Huntsville,
Alabama